



COMMISSION ON INSURANCE

COUNTY OF LOS ANGELES

Scott J. Svonkin
Chairperson

Daniel Falcon
Vice-Chairperson

Barry R. Binder
William K. Callagy
Michael G. Cheung
Rickey Ivie
Don Lee
Curren D. Price, Jr.
Rose Reets
Patricia Torres

MINUTES

Meeting of December 9, 2002
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Commissioners Present: William Callagy, Michael Cheung, Dan Falcon, Don Lee, Scott Svonkin, Rose Reets

Commissioners Absent: Barry Binder, Rickey Ivie, Curren Price, Patricia Torres

CALL TO ORDER

Chairperson Scott Svonkin called a meeting of the Committee of the Whole to order at 10:20 a.m.

CHAIRPERSON'S REPORT

Chairperson Svonkin announced that he has extended an invitation to State Insurance Commissioner Garamendi (Elect) to attend either the February or April 2003 meetings to discuss his plans to address California consumers' insurance needs.

Chairperson Svonkin announced that with the appointment of William Callagy by Supervisor Antonovich's office all ten seats on the Commission are filled.

DISCUSSION OF THE STATE LEGISLATURE'S EFFORTS TO ADDRESS UNPAID HOLOCAUST INSURANCE CLAIMS IN CALIFORNIA

Steve Koff, B'NAI B'RITH, discussed the organization's humanitarian efforts on behalf of Jewish people. Mr. Koff provided Commissioners with a handout outlining the efforts to secure compensation for holocaust victims holding life insurance policies from various insurance firms in Europe who conduct business in California through various subsidiaries. There are approximately 23,000 survivors living in California with sixty to seventy percent living in Southern California.

The International Commission for Holocaust Era Insurance Claims (ICHEIC) was formed in 1999 with the purpose of securing compensation for the survivors. It is chaired by former Secretary of State Lawrence Eagleburger who has been conducting negotiations with fifteen European insurance companies who provided most of the policies in question. It is believed that many of these companies may be demonstrating bad faith in dealing with the survivors who have filed claims.

In 1999, AB600 (KNOX) called for the registry of holocaust survivors in California who held insurance claims. The California Department of Insurance assisted in successfully

compiling the registry. Many who registered still had the original policies issued by the insurance companies. As a result of federal and state governments actions the Dutch Government secured \$4.2 million for compensation from the insurance companies doing business in the Netherlands.

(Commissioner Lee arrived at 10:55 a.m. and Chairperson Svonkin noting a quorum, called the Commission to order at this time.)

On motion of Commissioner Falcon, seconded by Commissioner Cheung, the Commission unanimously approved sending the Board of Supervisors a letter requesting that the County review the insurance companies it does business with and whether these companies are compensating holocaust survivors.

APPROVAL OF MINUTES OF NOVEMBER 14, 2002

On motion of Commissioner Lee, seconded by Commissioner Falcon, the Commission unanimously approved the November 14, 2002 minutes.

APPROVE UPDATED LOS ANGELES COUNTY COMMISSION ON INSURANCE BY-LAWS

On motion of Commissioner Lee, seconded by Commissioner Falcon, the Commission unanimously approved the updated Commission bylaws.

DISCUSSION ON SUNSET REVIEW REPORT

Staff provided a draft of the sunset review report to Commissioners. Commissioners discussed inviting a representative from the California FAIR Plan to the February meeting to discuss homeowners' insurance policies, possible methods to combat the trend of rising homeowners' insurance costs and make affordable homeowners insurance available. The Commission would like to know how the FAIR Plan is mandated and whether the Plan could be opened up to provide full coverage for qualifying Californians.

On motion of Commissioner Falcon, seconded by Commissioner Cheung, the Commission unanimously approved the sunset review report as presented.

COMMITTEE AND TASK FORCE UPDATES AND PLANNING

This item was continued to the next meeting.

MATTERS NOT ON POSTED AGENDA (To be placed on the agenda for discussion at a future meeting)

There were none. Any topics Commissioners wish to have placed on the next meeting agenda for discussion should be faxed or emailed to staff at least one week prior to the next meeting.

PUBLIC COMMENTS

There were none.

ADJOURNMENT

There being no further business the meeting was adjourned at 11:20 a.m.

ATTENDANCE

Steven Koff, B'NAI B'RITH International
Lisa Way, State Farm Insurance
Mary Callagy
Martha Littlefield, Executive Office, Board of Supervisors
Ken Wales, Executive Office, Board of Supervisors